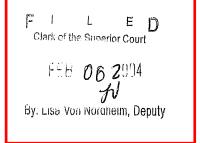
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11	and the froter and opa corporation
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13	SUPERIOR COURT OF THE S
14	FOR THE COUNTY



E STATE OF CALIFORNIA

E COUNTY OF SAN DIEGO

SPORTS SHINKO (U.S.A.) CO., LTD., a Delaware corporation, and LC HOTEL AND SPA CORPORATION, a California corporation,

Plaintiffs,

VS.

RONALD W. THOMPSON, an individual, TOSHIO KINOSHITA, an individual, TAKESHI KINOSHITA, an individual, and LA COSTA COMPANY LP, a Delaware limited partnership, and DOES 1-100, inclusive,

Defendants.

AND RELATED CROSS-ACTION.

No. GIC 809347

PLAINTIFFS' FIRST AMENDED COMPLAINT FOR (1) BREACH OF FIDUCIARY DUTY; (2) BREACH OF FIDUCIARY DUTY (THOMPSON); (3) INTENTIONAL CONCEALMENT; (4) CONSTRUCTIVE FRAUD; (5) BREACH OF CONTRACT; AND (6) BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING

Assigned to the Honorable Linda B. Quinn Dept: 74

Complaint Filed: April 18, 2003

Trial Date: None

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PLAINTIFFS' FIRST AMENDED COMPLAINT FOR (1) BREACH OF FIDUCIARY DUTY; (2) BREACH OF FIDUCIARY DUTY (THOMPSON); (3) INTENTIONAL CONCEALMENT; (4) CONSTRUCTIVE FRAUD; (5) BREACH OF CONTRACT; AND (6) BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR **DEALING**

Plaintiffs Sports Shinko (U.S.A.) Co., Ltd., a Delaware corporation, and LC Hotel and Spa Corporation, a California corporation, for causes of action against defendants allege, as follows:

PARTIES

- 1. Plaintiff Sports Shinko (U.S.A.) Co., Ltd., ("Sports Shinko") is a corporation organized and existing under and by virtue of the laws of the state of California with its principal place of business located in San Diego County, California.
- 2. Plaintiff LC Hotel & Spa Corporation ("La Costa Corp."), formerly known as La Costa Hotel and Spa Corporation, is a corporation organized and existing under and by virtue of the laws of the state of California with its principal place of business in San Diego County, California, and at all times herein mentioned was a wholly-owned subsidiary of Sports Shinko.
- 3. Defendant Ronald W. Thompson ("Thompson") is an individual residing in the state of Maryland, and was, at all times relevant hereto, the President and Chief Executive Officer of Capital Hotel Group, Inc., ("CHG") and controlled the acts and activities of that corporation, as well as the President, and the individual who controlled the acts and activities, of Takron, Inc., ("Takron"), which was the general partner of defendant La Costa Company LP ("La Costa LP").
- 4. Defendant Toshio Kinoshita is an individual residing in Japan, and at all times relevant hereto was a Director and the Chairman of Sports Shinko, a Director and Chairman of La Costa Corp., a Director and President of Encinitas Resort Corporation ("Encinitas"), and a Director and President of La Costa (TDMK) Co. Ltd. ("La Costa (TDMK)"). At all times relevant hereto Encinitas and La Costa (TDMK) were wholly-owned subsidiaries of Sports Shinko and affiliated sister corporations of the La Costa Corp.
- 5. Defendant Takeshi Kinoshita is an individual residing in Marin County, California, and at all time relevant hereto was a Director and Executive Vice President of

ROBERT B. WITIES

Attorneys for Plaintiffs Sports Shinko (U.S.A.) Ltd., Co., and LC Hotel and Spa Corporation

PLAINTIFFS' FIRST AMENDED COMPLAINT FOR (1) BREACH OF FIDUCIARY DUTY; (2) BREACH OF FIDUCIARY DUTY (THOMPSON); (3) INTENTIONAL CONCEALMENT; (4) CONSTRUCTIVE FRAUD; (5) BREACH OF CONTRACT; AND (6) BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR **DEALING**